



Farmers Bank & Trust

RANDY SCOTT
Executive Vice President

September 7, 2005

FDIC
San Francisco Regional Office
Johns F. Carter, Director
25 Jessie Street at Ecker Square
Suite 2300
San Francisco CA 94105

2005 SEP 12 AM 10:33

Dear Mr. Carter,

I am writing you in regard to Wal-Mart's application for deposit insurance for its pending Utah based ILC. By allowing Wal-Mart to enter into the banking industry would have a detrimental effect on our small community. Being from Arkansas, we appreciate what Wal-Mart has done for Northwest Arkansas' economy; however, allowing them to enter the banking industry would have a much greater negative effect on small towns across America.

Mixing banking and commerce is bad public policy that could jeopardize the impartial allocation of credit and create conflicts of interest. Congress reaffirmed its opposition to the mixing of banking and commerce in the Gramm-Leach-Bliley Act. Imagine a Wal-Mart disfavoring a small business that competes with Wal-Mart and favoring Wal-Mart suppliers in credit decisions, or requiring Wal-Mart suppliers to bank with the Wal-Mart Bank.

Wal-Mart has a history of destabilizing communities. With its vast resources, it could drive out community banks like it has driven out community grocery stores, pharmacies and hardware stores. Where would that leave our communities?

Sincerely,

Randy Scott
Executive Vice President